

OAKLAND TRIBUNE (CA)
18 April 1982

Late councilman linked to weapons plot

By Paul Grabowicz
Tribune Staff Writer

To those who knew him in Oakland, appliance shop owner Fred Maggiora was a champion of local amateur athletics and a conservative defender of law and order during the 29 years he served on the Oakland City Council.

But to local law enforcement officials, Maggiora, who died in 1979, had another life. They say he was a sponsor of an attempted international weapons deal that involved major U.S. organized crime interests and several individuals drawn from the shadowy world of foreign espionage.

Maggiora in 1977 and 1978 was a target of a wide-ranging, federal undercover investigation into illegal gun trafficking and organized crime activities, according to John Lacoste, Emeryville police chief. The Emeryville Police Department participated in the investigation.

According to Lacoste and police sources, others involved in the complex and bizarre plot included a convicted Watergate burglar, a Miami attorney who was an associate of some of the nation's top organized crime figures; the former owner of a gambling casino in prerevolutionary Cuba who also was tied to organized crime inter-

ests; a notorious international firearms dealer who runs an anti-terrorist training school in Georgia; and another weapons dealer who purportedly worked for the U.S. Central Intelligence Agency in the 1960s and was organizing a mercenary force of ex-intelligence officers in Central America in 1978.

The investigation culminated in the indictment of three people in Florida in December 1980.

The investigation has ended and some of the principals have died, but the case provides an unusual glimpse into the strange world in which apparently disparate elements intersect: organized crime, U.S. intelligence undercover operations, left-wing Central American revolutionaries, and right-wing U.S. gunrunning adventurers.

This is the story, as pieced together from information supplied by Lacoste and other law enforcement sources.

The investigation began in December 1976 when Maggiora and another individual ap-

proached Emeryville businessman Stephen L. Shadix, who was a close adviser to top Guatemalan government and military officials.

Cohen was an attorney and associate of Meyer Lansky, described by police as one of the most powerful organized crime figures in the United States. Cohen formerly was a member of the "S and G Gambling Syndicate," a network of gangsters and corrupt public officials that operated in the Miami area in the 1950s, the sources said. Cohen also died in 1979.

Shadix said that when Maggiora first suggested the arms deal to him, he contacted Lacoste, "because I wanted to keep organized crime out of Central America."

The FBI, the U.S. Bureau of Alcohol, Tobacco and Firearms, and the U.S. organized crime strike force were brought into the case, and an undercover investigation into the proposed gun deal was started.

Officials with the FBI, ATF and the strike force declined comment on the investigation.

Shadix told the Oakland Tribune/Eastbay TODAY that he worked in an undercover capacity and introduced federal agents "into high-level organized crime circles in Miami."

Shadix, who is a reserve officer in the Emeryville Police Department, referred all other questions about the case to Lacoste.

According to Lacoste and other sources, federal undercover agents held a series of meetings and telephone conversations with Cohen during the next several years, attempting to arrange the weapons deal.

Cohen put the agents in contact with a succession of purported weapons suppliers, including several whom authorities suspected were "con men" trying to bilk Shadix and the federal agents out of money in a phony gun deal.

In February 1977, however, Cohen introduced undercover agents to Stephen J. Maruca, a Miami man who authorities said had ties to organized crime figures and to the anti-Castro Cuban community in the Miami area.

Maruca and his half-brother, Joseph N. Marrow, told undercover agents that they could supply them with a large shipment of automatic weapons, sources said. Maruca and Marrow at the time were being tried in Miami on a breaking-and-entering charge and Cohen was their attorney.

CONTINUED